




CITY COUNCIL

AGENDA REQUEST

AGENDA OF:	11-02-10	AGENDA REQUEST NO:	III-D
INITIATED BY:	LINDA DRAPP, ADMINISTRATIVE SECRETARY	RESPONSIBLE DEPARTMENT:	CITY SECRETARY
PRESENTED BY:	GLENDA GUNDERMANN, CITY SECRETARY	DEPARTMENT HEAD:	GLENDA GUNDERMANN, CITY SECRETARY 
		ADDITIONAL DEPARTMENT. HEAD (S):	N/A
SUBJECT / PROCEEDING:	MINUTES CITY COUNCIL MEETING OCTOBER 19, 2010 APPROVE MINUTES		
EXHIBITS:	MINUTES OCTOBER 19, 2010		
CLEARANCES		APPROVAL	
LEGAL:	N/A	EXECUTIVE DIRECTOR:	N/A
PURCHASING:	N/A	ASST. CITY MANAGER:	N/A
BUDGET:	N/A	CITY MANAGER:	ALLEN BOGARD
BUDGET			
EXPENDITURE REQUIRED: \$		N/A	
CURRENT BUDGET: \$		N/A	
ADDITIONAL FUNDING: \$		N/A	
RECOMMENDED ACTION			
Approve the minutes of the City Council meeting October 19, 2010.			

EXHIBITS

STATE OF TEXAS §
COUNTY OF FORT BEND §
CITY OF SUGAR LAND §

CITY OF SUGAR LAND
CITY COUNCIL REGULAR MEETING
TUESDAY, OCTOBER 19, 2010

REGULAR MEETING

The City Council of the City of Sugar Land convened in a regular meeting open to the public and pursuant to notice thereof duly given in accordance with Chapter 551, Government Code, Vernon's Texas Codes, Annotated, as amended, in Sugar Land City Hall within said City on Tuesday, October 19, 2010 at 5:30 o'clock P.M. and the roll was called of the members; to wit:

James A. Thompson, Mayor
Thomas Abraham, Council Member at Large, Position One
Jacqueline Baly Chaumette, Council Member at Large, Position Two
Donald L. Smithers, Council Member District One
Donald G. Olson, Council Member District Two
Russell C. Jones, Council Member District Three
Michael S. Schiff, Council Member District Four

QUORUM PRESENT

All of said members were present with the exception of Council Member Chaumette who arrived at 6:00 o'clock P.M.

Also present were:
Allen Bogard, City Manager
Glenda Gundermann, City Secretary
Joe Morris, City Attorney, and
A Number of Visitors

CONVENE MEETING

Mayor James Thompson convened the session, open to the public, to order at 5:30 o'clock P.M.

INVOCATION

Council Member Olson delivered the invocation.

PLEDGE OF ALLEGIANCE

Council Member Olson led the pledge of allegiance to the Flag of the United States of America.

PUBLIC COMMENT

Mayor Thompson introduced Public Comment and entertained registered speakers. There were no public comments.

REVIEW OF CONSENT AGENDA

Mayor Thompson introduced Review of the Consent Agenda and entertained questions and/or comments.

CONSENT AGENDA

Mayor Thompson introduced III.A) Authorizing execution of a Contract in the maximum amount of \$55,112.00 with Camp, Dresser, and McKee, Incorporated for Program Year 2010 Community Development Block Grant program administration services; III.B) Authorizing Payment in the maximum amount of \$62,755.00 to Texas Commission on Environmental Quality for water quality permit fees; III.C) Authorizing execution of a Contract in the maximum amount of \$198,560.00 with HDR Engineering, Incorporated for Wastewater Master Plan Update CIP WW1104; and authorizing budget reallocation in the amount of \$33,560.00 from WW0905; III.D) Authorizing Purchase of annual software support and maintenance services in the amount of \$87,258.00 with Tiburon, Incorporated for Police and Fire Department Systems; III.E) Authorizing expenditure in the maximum amount of \$100,000.00 with Uretek USA, Incorporated through Fort Bend County Interlocal Agreement for concrete street raising services; III.F) Authorizing execution of Change Order No. One in the maximum amount of \$13,450.00 with Dannenbaum Engineering Corporation for design services for Meadowcroft Boulevard CIP ST0802; and authorizing a budget reallocation in the amount of \$20,950.00 from CIP Project DR0801; III.G) Authorizing execution of a Contract in the maximum amount of \$189,500.00 with Lockwood, Andrews, and Newnam, Incorporated for Thoroughfare Master Plan Update CIP ST1103; III.H) Authorizing execution of Change Order No. One in the maximum amount of \$77,500.00 with Bio Landscape and Maintenance for U.S. Highway 99 right-of-way mowing services; III.I) Authorizing execution of Change Order No. One in the maximum amount of \$43,299.24 with SouthWest Water Company for additional water distribution and wastewater collection services in Fiscal Year 2010; III.J) Approval of the minutes of the regular meeting of October 05, 2010.

Following a full and complete discussion, *Council Member Smithers*, seconded by *Council Member Abraham*, made a motion to approve the Consent Agenda. The motion carried unanimously.

AMEND THE ORDER OF THE AGENDA

Mayor Thompson stated the order of the Agenda would be amended to accommodate the Public Hearing at 6:00 o'clock P.M.

WORKSHOP

SUGAR LAND REGIONAL AIRPORT SERVICES

Mayor Thompson introduced discussion on branding for Sugar Land Regional Airport services.

Mr. Phil Savko, Director of Aviation, stated Sugar Land Regional Airport has experienced great success over the last 12 years due to the hard work and assistance from Airport staff, City staff, and City Council. The airport has an opportunity to expand exposure by targeting the economic development market. The airport staff has considered changing the name of the FBO (Fixed Base Operator) portion of the airport, which is the portion that sells fuel, not the airport itself. The airport will always be named Sugar Land Regional Airport administered by City staff.

Ms. Cindy Marion, President of Marion Montgomery, Incorporated, stated the firm was consulted to determine how the airport could grow; the FBO business has an opportunity to be an arm in the economic development process for the City, a primary goal, to ensure that more corporations are brought into the airport and a greater opportunity for more people to see that the access, ingress, and egress to the city are viable and vibrant. Sugar Land Regional Airport is a facility that is second to none in comparison to facilities in the surrounding area.

Marion Montgomery researched the target market; where the target market was and what was understood and perceived regarding the airport. The results indicated there was a perception; because it was an airport tied to a municipality, people perceived it was a standard municipal airport, rather than the level that it really is; a phenomenal, premier facility with extraordinary service to the pilots. In questioning the pilots, the perception of the FBO was that it most likely was a standard municipal airport and the perception was subpar. The firm will brand the FBO facility specifically with an issued promise to the pilots that is commensurate with the premier facilities and service. Ms. Marion stated the company did not want to change the name of the airport but felt that in marketing to pilots specifically and target identified markets, corporations that may not be currently using the airport but would if the level of the premium product was understood, there would be an opportunity to grow the marketplace and get more business into the airport.

Through customer research and informal focus groups, it was determined that there is a need to re-brand the FBO services specifically so the pilots would consider using the airport. The firm decided to look at a name change that was more corporate and more tied with that kind of premier image; following research over the last 12 months, the result was to re-brand the FBO services: "GLOBAL SELECT at Sugar Land Regional Airport", with the tag-line "Your Luxury Gateway to Houston". Every time the logo appears, the tag-line will appear. Communication tactics included: Partnering with others who share the target market to build the brand and promote the services; Create more news with media tour, monthly press releases to trades, business media, city's Cable TV channel, YouTube, and social media; Direct marketing with direct mail and E-blasts; Events such as trade shows, event series, scheduler/dispatcher invitation; customer retention with rewards program, customer contract program.

A plan was developed for 2010-2011 implementation so the airport could be consistent in pulling forward the brand and trying to promote to better the business development opportunities. The main goal is to build economic development for the City of Sugar Land through increasing corporate travel in and out of

WORKSHOP (CONTINUED)

SUGAR LAND REGIONAL AIRPORT SERVICES (CONTINUED)

the airport. The change in the brand name for the FBO will be significant in positioning the FBO against other competing FBOs in the area and identifying the premier status of the FBO.

Council Member Jones inquired concerning the current name of the airport, Sugar Land Regional Airport, as the airport does have a Customs service. Staff responded that technically by law, it is an international airport because of the Customs service. “Regional” airport describes the current level of service to the community, but the next name change will be considered eventually. “Regional” expresses a reliever airport more accurately, which is what the current market of corporate people are used to and want at this time.

City Council consensus was to proceed with the recommended naming of the FBO services.

Staff stated the next steps will involve changing the uniforms and signage at the airport, a giveaway program of hats and shirts, giveaways to the pilots, announcing the new brand at the National Business Aviation Association conference in Atlanta, Georgia in October, and moving forward with the marketing plan.

SUGAR LAND LEGACY FOUNDATION

Mayor Thompson introduced consideration on appointment of eight members to Sugar Land Legacy Foundation for terms expiring September 30, 2011.

Mr. Don Olson, Council Member, stated in June, the City Council approved the bylaws of the Sugar Land Legacy Foundation, creating a vehicle for charitable and planned giving to the City of Sugar Land. The bylaws provide for the support of the City acquisition, ownership, construction, development, improvement, operation, or maintenance of land and facilities, and define activities for recreation, entertainment, sports, the arts or similar activities that might benefit the citizens of Sugar Land which are eligible.

The City Council will appoint the first Board of Directors for the foundation. City staff will help with the initial administrative work of the Board, including filing for tax-exempt status, establishing a bank account, and assisting with administrative details. The Audit/Finance Committee of City Council has solicited nominations from City Council members, and the following slate of directors is presented for approval: Bill Jameson, Sonny Sharma, Bob Brown, Herb Appel, Gene Reed, Brent Leftwich, John Null, and Paul Likhari. The number of directors can be increased in the future.

The Audit/Finance Committee has unanimously recommended the eight nominees for approval by City Council as the first directors for the Legacy Foundation.

Following a full and complete discussion, *Council Member Smithers*, seconded by *Council Member Jones*, made a motion to approve appointment of eight members to Sugar Land Legacy Foundation for terms expiring September 30, 2011. The motion carried unanimously.

CONTRACTS AND AGREEMENTS

ADDITIONAL CONVEYANCE TO JANE LONG LAKE

Mayor Thompson introduced consideration on bid evaluation and authorizing rejection of all bids ITB No. 2010-18 Additional Conveyance to Jane Long Lake CIP DR0903.

Mr. Robert Valenzuela, Assistant City Engineer, stated the project includes the design of a 36" storm sewer to relieve ponding in streets, provide conveyance for "Triangle Area" drainage to Riverbend Regional Detention, and clean out culverts on Sugar Creek Boulevard.

The Invitation to Bid (ITB) posted on September 9, and bids opened on September 23, 2010. Two bids were submitted on time; one did not sign the addendum. The one responsible bid was for \$746,815. Two additional bidders missed the deadline.

Staff recommendation is to reject all proposals responding to the Invitation to Bid 2010-18 and staff would issue new ITB for additional conveyance to Jane Long Lake.

Council Member Olson asked what the addendum included. Staff stated the addendum involved cleaning out the culverts at Sugar Creek Boulevard. Pending rejection of all bids, staff will advertise for bids in the next two weeks, pre-bid held on October 28, bid opening on November 11, and award on December 7. The project will take approximately four months for completion.

Council Member Smithers questioned the one responsible bidder who met the deadline and had the proper information. Staff stated in the bid that was opened and addendum was not addressed, the amount was approximately \$400,000-500,000, which is a large discrepancy in the base bids alone. In addition, there were individual line item discrepancies when comparing the two bids.

City Manager Bogard stated this is a rare situation. Staff has the responsibility to ask the City Council to reject the bids, which will allow the City to get a more competitive bid to present for consideration.

City Manager Bogard stated the drainage from the Triangle Area currently sheet-flows down Sugar Creek Boulevard under U.S. 59 and is causing street flooding within Sugar Creek. By capturing the water before reaching that area, the city will do a better job of addressing the street flooding in Sugar Creek.

Following a full and complete discussion, **Council Member Olson**, seconded by **Council Member Abraham**, made a motion to approve bid evaluation and authorizing rejection of all bids ITB No. 2010-18 Additional Conveyance to Jane Long Lake CIP DR0903. The motion carried unanimously.

PUBLIC HEARING

CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC

Mayor Thompson convened the Public Hearing to receive and hear CenterPoint Energy Houston Electric LLC (CenterPoint) and all other persons desiring to be heard on Ordinance No. 1802 ordering CenterPoint to reduce its electric rates within the City consistent with the Gulf Coast Coalition of Cities' consultants in Public Utility Commission of Texas Docket No. 38339.

Ms. Eugenia Cano, Assistant City Attorney, presented a brief overview stating in 2006, CenterPoint Energy filed a rate increase request. The City was a member of the Gulf Coast Coalition of Cities (GCCC), a group of 14-15 cities in the vicinity who join together in rate cases, hire consultants and attorneys to represent the city at the Public Utility Commission (PUC). At the time, there was a Settlement Agreement with CenterPoint. Part of the Agreement required CenterPoint to have a rate freeze through June 30, 2010, and the agreement required CenterPoint to file an earnings report before March 1, 2010 showing its earnings report for 2009. The information was presented to the Gulf Coast Cities, the City of Houston, and the staff of the Public Utility Commission. The Agreement states if all three of the parties agreed that CenterPoint was materially over-earning, CenterPoint would be required to do a full rate case in which all revenues and expenses would be presented and reviewed. The Gulf Coast Cities, City of Houston, and the staff of the PUC agreed on the material over-earning and CenterPoint was required to file the rate increase.

On June 30, CenterPoint filed a rate increase with the City. The city had to suspend the effective date of the rate, August 6, so the City could review the rate increase. The City Council suspended the CenterPoint proposed rate increase on July 20.

Currently, the parties are unable to agree on another Settlement Agreement. Ordinance No. 1802 establishes a rate that CenterPoint is allowed to charge within the city, which will require CenterPoint to reduce the rate by its current rate by \$149 million. This breaks out into rate classes of customers on what each class would pay on a per month basis and is based on the customer kilowatt usage.

CenterPoint will most likely appeal the City Council enactment of Ordinance No. 1802 to the PUC, and the rate would be decided on appeal. CenterPoint has agreed to reimburse the GCCC legal and consulting fees, and it is anticipated that the PUC will uphold the agreement. The CenterPoint requested rate will be effective on November 2, 2010, unless the City Council acts to establish the CenterPoint rate on October 19.

Mr. Randy Pryor, Service Area Director of Distribution Operations for CenterPoint Energy which serves the Sugar Land area, stated since the last rate case, CenterPoint has invested over \$800 million in distribution infrastructure and \$685 million in transmission infrastructure for a total investment of over \$1.5 billion. The investment allowed CenterPoint to maintain a robust power grid necessary to meet the needs of the growing population that has been experienced in Sugar Land and throughout the entire Houston area. The added infrastructure accommodated over 146,000 new customers over the 4-year period of the freeze, and CenterPoint has built 1,285 distribution miles and either built or upgraded 316 miles of transmission infrastructure. CenterPoint has the rate-making authority to set rates that will allow the company to fairly recover its investment as well as the opportunity to earn a reasonable rate of return. Hearings were conducted recently in Austin, and CenterPoint anticipates that the PUC will render a final order by January 1, 2011.

CITY OF SUGAR LAND ORDINANCE NO. 1802 – CENTERPOINT ENERGY HOUSTON ELECTRIC LLC RATES
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Mayor Thompson introduced **FIRST AND FINAL CONSIDERATION: CITY OF SUGAR LAND ORDINANCE NO. 1802** AN ORDINANCE FINDING THAT THE EXISTING ELECTRIC DISTRIBUTION RATES OF CENTERPOINT ENERGY HOUSTON ELECTRIC LLC (CENTERPOINT) ARE UNREASONABLE AND SHOULD BE REDUCED; AND ORDERING CENTERPOINT TO REDUCE EXISTING RATES WITHIN THE CITY, TO SUBMIT TARIFFS CONSISTENT WITH THE RECOMMENDATION OF THE GULF COAST COALITION OF CITIES' CONSULTANTS IN PUBLIC UTILITY COMMISSION OF TEXAS DOCKET NO. 38339, AND TO REIMBURSE THE CITY FOR REASONABLE COSTS INCURRED IN THIS RATE CASE AND ANY RELATED RATEMAKING PROCEEDINGS OR APPEALS OF THOSE PROCEEDINGS; AND ORDERING THAT A COPY OF THIS ORDINANCE BE SERVED ON CENTERPOINT.

Council Member Jones recommended that City Council adopt Ordinance No. 1802, the next step is the appeal process, and the PUC will make the decision ultimately, and stated he feels the process is a formality. The Audit/Finance Committee reviewed the ordinance with staff, agreed, and passed it forward to City Council.

Mayor Thompson inquired regarding New Territory and Greatwood, the two areas that are part of Sugar Land. Staff stated the PU staff is looking into the matter and will make determinations on the rate, and possibly the Office of Public Utility Council.

Following a full and complete discussion, *Council Member Olson*, seconded by *Council Member Jones*, made a motion to approve **CITY OF SUGAR LAND ORDINANCE NO. 1802** AN ORDINANCE FINDING THAT THE EXISTING ELECTRIC DISTRIBUTION RATES OF CENTERPOINT ENERGY HOUSTON ELECTRIC LLC (CENTERPOINT) ARE UNREASONABLE AND SHOULD BE REDUCED; AND ORDERING CENTERPOINT TO REDUCE EXISTING RATES WITHIN THE CITY, TO SUBMIT TARIFFS CONSISTENT WITH THE RECOMMENDATION OF THE GULF COAST COALITION OF CITIES' CONSULTANTS IN PUBLIC UTILITY COMMISSION OF TEXAS DOCKET NO. 38339, AND TO REIMBURSE THE CITY FOR REASONABLE COSTS INCURRED IN THIS RATE CASE AND ANY RELATED RATEMAKING PROCEEDINGS OR APPEALS OF THOSE PROCEEDINGS; AND ORDERING THAT A COPY OF THIS ORDINANCE BE SERVED ON CENTERPOINT. The motion carried unanimously.

MUNICIPAL UTILITY DISTRICT BONDS

Mayor Thompson introduced consideration on authorizing issuance in the amount of \$3,045,000 Fort Bend County Municipal Utility District No. 128 Unlimited Tax Bonds, Series 2010.

Ms. Jennifer Brown, Budget and Research Director, stated the District is in the Riverstone Development and is the first district developing within the City ETJ. This is the first portion that is in the City jurisdiction. Currently the District has 127 completed homes and 10 under construction with value on the Tax Roll of just under \$52 million. The 2010 tax rate was set at \$0.70, for maintenance and operations. It is anticipated

MUNICIPAL UTILITY DISTRICT BONDS (CONTINUED)

the 2011 rate would be \$0.50 for debt service and \$0.20 for maintenance and operations. The bond issue is \$3,045,000 and is reimbursing the developer for construction of water and wastewater facilities, reimbursement for City connection fees, and includes capitalized interest and issuance costs. The district is a customer of the City for water and wastewater service, pays surface water fees, and is receiving the services under the City rates that apply to districts in the ETJs.

Mayor Thompson asked for the boundaries of the District. Riverstone has started developing from the Missouri City side and is currently moving west into the City ETJ.

Ms. Anthea Moran, First Southwest Company, stated the District is small, one-third of the Riverstone districts that started at Highway 6 and has moved southwest. District 129 is the district that is being developed in reverse order; District 128 is the third district of the area. There are three subdivisions, over 150 lots. This is the first bond issue to reimburse the developers for the infrastructure and pay for connection fees. Rates are extremely low, a good time to sell bonds. The deal was structured in compliance with the City ordinance consenting to the creation of the District. The development is very strong.

Following a full and complete discussion, **Council Member Smithers**, seconded by **Council Member Chaumette**, made a motion to approve issuance in the amount of \$3,045,000 Fort Bend County Municipal Utility District No. 128 Unlimited Tax Bonds, Series 2010. The motion carried unanimously.

BUDGET AMENDMENT

Mayor Thompson introduced approval of Fiscal Year 2011 Budget Amendment to reflect elimination of eleven full-time equivalent positions.

Ms. Jennifer Brown, Budget and Research Director, stated the Fiscal Year 2011 Budget was approved on September 7 and included in the budget was the elimination of some fulltime positions, vacant positions to help balance the budget and return the budget to structural balance by Fiscal Year 2012. Savings of \$1.45 million was identified in the budget that would be achieved through the elimination of approximately 20 positions, and this can be accomplished with no layoffs. All the positions proposed to be eliminated are vacant.

Eleven positions have been identified for permanent elimination. The Executive Team has worked with the Department Heads since approval of the budget to identify the positions; all 11 positions were vacant as of October 1 of this year. The positions achieve an annual savings of \$676,450. There are an additional 37 positions that are vacant within the City, but believe are not the right positions to be eliminated currently. Twenty-two of the positions are currently frozen and not being filled at this time, and 15 of the positions are in various stages of recruitment. The positions that are in recruitment are being posted internally first. If there are no viable candidates, the city manager will be asked to recruit externally.

The budget identified 659.12 fulltime equivalent positions that were authorized in the budget; after elimination of the 11 positions, there will be 648.12 fulltime and the goal will be 639.

BUDGET AMENDMENT (CONTINUED)

With Council consideration, Human Resources will close the position authorization within the system. The Budget office will remove the salary and benefits from each department budget, and transfer into a salary savings account. If a department needs a position filled in the future, the department will have to request and justify the position through the budget process.

Following a full and complete discussion, ***Council Member Chaumette***, seconded by ***Council Member Schiff***, made a motion to approve Fiscal Year 2011 Budget Amendment to reflect elimination of eleven full-time equivalent positions. The motion carried unanimously.

GRANT

FISCAL YEAR 2011 SOLID WASTE IMPLEMENTATION PROGRAM GRANT

Mayor Thompson introduced acceptance of Fiscal Year 2011 Solid Waste Implementation Program Grant in the amount of \$17,495.00 from Houston-Galveston Area Council; and authorizing budget adjustment in the amount of \$17,495.00 to revenues and expenditures.

Ms. Dawn Steph, Environmental Manager, stated the Houston-Galveston Area Council (H-GAC) offers Solid Waste Grants on an annual basis to improve on solid waste and recycling awareness projects and programs. The City of Sugar Land has been awarded the \$17,495 grant.

Staff recommends acceptance of the grant for Fiscal Year 2011 and approval of a budget adjustment.

Following a full and complete discussion, ***Council Member Abraham***, seconded by ***Council Member Olson***, made a motion to approve acceptance of Fiscal Year 2011 Solid Waste Implementation Program Grant in the amount of \$17,495.00 from Houston-Galveston Area Council; and authorizing budget adjustment in the amount of \$17,495.00 to revenues and expenditures. The motion carried unanimously.

CONTRACTS AND AGREEMENTS (CONTINUED)

EMERGENCY POWER PUMPS, LIFT STATIONS

Mayor Thompson introduced consideration on bid evaluation and authorizing execution of a Contract in the maximum amount of \$503,488.00 with G & N Enterprises for Emergency Power Pumps, Lift Stations CIP WW1003.

Mr. Robert Valenzuela, Assistant City Engineer, stated the project consists of providing adequate backup system for mechanical and power failures at 16 lift stations throughout the city. The project is in two phases. On March 16, City Council authorized the purchase of 16 power pumps that are currently in storage at the Woodchester Water Treatment Plant. The second phase is installation of the emergency power pumps that will be installed at the 16 lift station locations.

CONTRACTS AND AGREEMENTS (CONTINUED)

EMERGENCY POWER PUMPS, LIFT STATIONS (CONTINUED)

The Invitation to Bid (ITB) was posted on August 25, 2010 and bids were opened on September 16. There were five qualified bids, and G&N Enterprises was the low bidder with a total bid of \$503,488. Construction funding is allocated in the Fiscal Year 2010 CIP. There is currently \$940,940 in funds available for the project. The bid includes allowances for fencing and landscaping as discussed in the March 16 City Council meeting.

Council Member Olson asked if each of the 16 facilities would have fencing and landscaping. Staff stated not all of the areas contain fencing and landscaping. Two additional areas require fencing and three areas require some landscaping; the allowances are designated for these areas. Staff stated if there are additional funds available, other areas could be considered for landscaping if needed.

Council Member Schiff inquired in the original CIP WW1003 with \$940,000, are there additional pumps that have to be installed or did it end up at about 53 percent of the original estimates. Staff stated all the pumps needed have been purchased and this includes all the construction items necessary to install the pumps. There is a remaining balance.

Mayor Thompson asked regarding the funds available, were these engineering estimates of the \$940,000, or was it budgeted for \$940,000. Staff stated this is the unencumbered balance for the project.

Following a full and complete discussion, **Council Member Olson**, seconded by **Council Member Chaumette**, made a motion to approve bid evaluation and authorizing execution of a Contract in the maximum amount of \$503,488.00 with G & N Enterprises for Emergency Power Pumps, Lift Stations CIP WW1003. The motion carried unanimously.

INTEGRATED STORMWATER MANAGEMENT MODEL PHASE II PROJECT

Mayor Thompson introduced consideration on a Contract in the maximum amount of \$350,000.00 with Halff Associates, Incorporated for Integrated Stormwater Management Model Phase II Project.

Mr. Shashi Kumar, Senior Engineer, stated funding has been appropriated in the Fiscal Year 2011 CIP for the development of an Integrated Storm Water Management Model (ISWMM), which is a storm water management tool that is used for various purposes, most importantly for emergency preparedness.

Phase I was completed in Fiscal Year 2010. Phase II is budgeted in Fiscal Year 2011. Phase I involved integrating distinct studies that were done in the past on a common platform; a city-wide ponding map that identified potential ponding depths during extreme rain events; delineation of floodplain limits to identify flood hazard areas.

Phase II will build upon the framework developed as part of the first phase; (1) Continue to integrate studies that have been performed and are currently ongoing; one of the important areas is within Fort Bend County, LID #2, updating models; (2) Update ponding map to include various storm frequencies; (3) Detailed 2D modeling of Covington Woods; (4) Analyze “what if” scenarios; during the occurrence of a coincidental

CONTRACTS AND AGREEMENTS (CONTINUED)

INTEGRATED STORMWATER MANAGEMENT MODEL PHASE II PROJECT (CONTINUED)

rainfall event; local rainfall when Brazos River is at high stage; (5) Evaluate levee outlets; and (6) A pilot study to simulate levee breach that will assist in the emergency preparedness for such occurrences. The pilot project would include jointly working with Fort Bend County LID #14 on the project.

The contract amount for consideration is \$350,000; consultant chosen is Halff Associates as lead consultant and Dannenbaum Engineering Corporation as sub-consultant. This is same team that developed Phase I.

Proposed schedule is one year from date of authorization.

Following a full and complete discussion, ***Council Member Olson***, seconded by ***Council Member Chaumette***, made a motion to approve a Contract in the maximum amount of \$350,000.00 with Halff Associates, Incorporated for Integrated Stormwater Management Model Phase II Project. The motion carried unanimously.

SYSTEM WATER AVAILABILITY AGREEMENT

Mayor Thompson introduced consideration on a System Water Availability Agreement in the maximum amount of \$286,750.00 with the Brazos River Authority for 4,588 acre feet of water; and authorizing a budget adjustment in the amount of \$286,750.00 from Fiscal Year 2011 Surface Water Fund Balance.

Ms. SuEllen Staggs, Director of Utilities, stated the City long term water needs in 2025 are currently anticipated at 27 MGD (million gallons/day) of raw surface water supplies. Currently the city has about 35 million gallons under contract but is not as reliable as originally anticipated. In 2009, the city requested 22,000 acre feet of water from the Brazos River Authority (BRA). The BRA had a customer who wanted to release 4,588 acre feet of contracted water; Sugar Land was next on the waiting list and BRA offered to contract with the City which will help firm up City water needs. City is still on the waiting list for the 17,412 acre foot balance.

An acre foot of water equates to 325,851 gallons of water which will cover one acre of property one foot deep; 4,588 acre feet equates to approximately 1.5 billion gallons of water. Acre feet in water is actually contracted on a yearly basis. The city could take the 1.5 billion gallons of water a year and divide out equally 365 days a year or take more water less frequently. In the first phase of the Surface Water Treatment Plant, the volume of water would actually be able to supply the plant for 160 days. After the second phase and City is producing 22 million gallons a day of treated water, it would supply about 55 days of water.

The BRA has a standard contract and does not agree to any changes in the terms of the 30-year contract: No cancellation clause; BRA can increase payments; if system water is in short supply, BRA does not have to supply the contracted volume.

Terms of Agreement: Municipal and irrigation water use; no water quality guarantee; the city unconditionally agrees to pay for the water; BRA can cancel for non-payment; City agrees to fund from operating account as opposed to a debt account. The contract is 30-year term; at end of contract in 2040, the

CONTRACTS AND AGREEMENTS (CONTINUED)

SYSTEM WATER AVAILABILITY AGREEMENT (CONTINUED)

city has an option to renew at then BRA long term supply contract terms. The contract is annual take or pay based on the need. BRA System Rate: Currently \$62.50 per acre foot; yearly increases average 2-5 percent; yearly cost for first year is \$286,750 and base the contract on BRA fiscal year which ends August 31; first payment is for 10 months at \$238,958.

The water availability was not anticipated; the funding was not included in the Fiscal Year 2011 budget. Staff is requesting a budget amendment to fund the agreement from the Surface Water Enterprise Fund.

Mayor Thompson asked if City Council approved the agreement, would the City's place in line change as far as the future; staff replied the City would stay at the top of the list for the additional \$17,412 acre foot balance. If City Council does not approve the agreement, would the City remain at the current place in line in the future; staff was told by BRA if the City did not take the contract offer, the BRA would go to the next customer down the list which would change the City position in the future.

Council Member Chaumette stated the City would be put at the bottom of the list if City Council does not approve the agreement. Ms. Chaumette stated the agreement is very crucial to addressing the City water needs, and commented that she has never seen the BRA allow the irrigation term in the past. She concurred with staff recommendation for approval.

Council Member Abraham inquired about the BRA System Rate in the Agreement, the yearly increases averaging 2-5 percent. Staff stated BRA basically takes the costs of operating the system and divides by the volume of water that is able to be supplied; as the cost goes up, the system rate goes up.

Staff stated if there is another user, Missouri City, that needs water, the city could use the supply as an option. Downstream from the city, other users are allowed to use the water, including Gulf Coast Water Authority. With the BRA approval, the water could be sold to another user.

Following a full and complete discussion, *Council Member Olson*, seconded by *Council Member Chaumette*, made a motion to approve a System Water Availability Agreement in the maximum amount of \$286,750.00 with the Brazos River Authority for 4,588 acre feet of water; and authorizing a budget adjustment in the amount of \$286,750.00 from Fiscal Year 2011 Surface Water Fund Balance. The motion carried unanimously.

ORDINANCES AND RESOLUTIONS

**RESOLUTION NO. 10-48 HOUSTON-GALVESTON AREA COUNCIL 2011-2014
TRANSPORTATION IMPROVEMENT PROGRAM FUNDING**

Mayor Thompson introduced **CITY OF SUGAR LAND RESOLUTION NO. 10-48** A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, REGARDING ITS SUPPORT FOR PROJECTS INCLUDED IN THE CITY'S APPLICATION FOR HOUSTON-GALVESTON AREA COUNCIL 2011-2014 TRANSPORTATION IMPROVEMENT PROGRAM FUNDING.

ORDINANCES AND RESOLUTIONS (CONTINUED)

**RESOLUTION NO. 10-48 HOUSTON-GALVESTON AREA COUNCIL 2011-2014
TRANSPORTATION IMPROVEMENT PROGRAM FUNDING (CONTINUED)**

Mr. Pat Walsh, Transportation Director, stated in September, the Houston-Galveston Area Council (H-GAC) announced a “Call for Projects” to select Houston-area projects for newly available funding of \$74 million in the 2011-2014 Transportation Improvement Program (TIP).

The city has a number of capital improvement projects that have been pushed off of the 5-year funding horizon, and staff believes the city should look at the funding. Multiple departments are involved; Engineering, Parks, Traffic. Eleven projects were originally considered and reviewed for: consistency with

the city Capital Improvement Program, readiness, and worthwhile to involve federal funding. The list was narrowed to four projects: (1) U.S. 59 at S.H. 6 Geometric Improvements Phase 3; (2) U.S. Highway 90A Widening S.H. 6 to S.H. 99; (3) Ditch ‘H’ Hike and Bike Trail; and (4) First Colony Area Hike & Bike Trail.

(1) U.S. 59 at S.H. 6 Geometric Improvements Phase 3: Adding storage, turn lanes on S.H. 6, Lexington to north of Brooks Street; currently under 30 percent design; \$7.59 million construction cost estimate, unfunded in current five-year CIP; highest readiness, environmental underway and has a higher funding potential.

(2) U.S. 90A Widening: Modified from current CIP project, Current project: 5th westbound lane S.H. 6 to Prison Drive; Expanded project with federal funding to more logical termini at S.H. 6 to S.H. 99, Grand Parkway overpasses could start in September 2011 with 6 asphalt lanes, 2 additional asphalt lanes, and would be an interim measure until ultimate 8-lane configuration that TxDOT has proposed and is currently unfunded. As the project includes two-thirds outside of the City Limits, there is potential for partnership with Fort Bend County. Expressions of support are from the County Engineer and Commissioner Patterson, and staff is seeking letter from the County Judge to strengthen the application. If a project is created, need to formalize partnership for local match.

(3) and (4) Major Trail Projects: The most significant trail projects are the Ditch ‘H’ Hike and Bike Trail and the First Colony Area Hike & Bike Trail. Both are unfunded in the CIP. Fort Bend County has indicated applying for TIP funds for Crabb River Road project and will seek participation from the City for local match.

The application requires documentation of local match; either a resolution of support or letter is required; usually 20 percent match; staff suggested resolution for Council consideration with no dollar amounts at this time.

Ongoing activities included: Met with IG Committee that expressed concurrence with the approach; discussions with TxDOT seeking support; seeking letters of concurrence from TxDOT and LID 17, LID 2 as projects involve either easements or rights-of-way owned. Applications are due October 29, 2010.

Council Member Chaumette stated the application is very aggressive and strong for the reasons expressed and stated her desire to move forward.

ORDINANCES AND RESOLUTIONS (CONTINUED)

**RESOLUTION NO. 10-48 HOUSTON-GALVESTON AREA COUNCIL 2011-2014
TRANSPORTATION IMPROVEMENT PROGRAM FUNDING (CONTINUED)**

Resolution No. 10-48 expresses City commitment to the 4 projects and willingness to provide local match.

Following a full and complete discussion, *Council Member Chaumette*, seconded by *Council Member Smithers*, made a motion to approve **CITY OF SUGAR LAND RESOLUTION NO. 10-48** A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, REGARDING ITS SUPPORT FOR PROJECTS INCLUDED IN THE CITY'S APPLICATION FOR HOUSTON-GALVESTON AREA COUNCIL 2011-2014 TRANSPORTATION IMPROVEMENT PROGRAM FUNDING. The motion carried unanimously.

CITY COUNCIL CITY MANAGER REPORTS

CITY COUNCIL REPORTS

Mayor Thompson introduced Community Events Attended or Scheduled.

Council Member Schiff reported attending the Dragon Boat Race.

Council Member Olson reported attending Economic Development and Audit/Finance Committee meetings, breakfast with Opening Day Partners on the Baseball Stadium.

Council Member Jones reported attending the Opening Day Partners breakfast and Audit/Finance Committee meeting.

Council Member Abraham reported that he attended a Houston Community College/City of Houston/Small Business Administration 19th Annual Small Business Breakfast honoring achievers, H-GAC meeting, many charity events, ribbon-cutting ceremony for the Holiday Inn Express, Citizens Fire Academy graduation, Grand Opening for Fire Station No. 7, and Boards and Commissions Reception.

Council Member Chaumette reported attending the Riverpark HOA Board meeting, Greater Houston Partnership State of the State meeting, Dragon Boat Races, Run to Cure HD, 99th Anniversary Taiwan Event.

Council Member Smithers reported attending the Dragon Boat Regatta, Chamber Government Relations meeting, and toured Accredo Packaging.

CITY MANAGER REPORT

City Manager Bogard announced the Texas Municipal League Annual Conference in Corpus Christi will be held on October 27-29, and Halloween Town will take place in Sugar Land Town Square at 5:00 p.m. on Saturday, October 30. Mr. Bogard suggested that the City Council cancel the Tuesday, November 23 meeting which is Thanksgiving week, and there will be a November 30 meeting of City Council for the Fall Retreat. Mr. Bogard recognized three City employees: Phil Wagner who was recognized at the ICMA

CITY MANAGER REPORT (CONTINUED)

conference in San Jose, California as Kansas University's City Manager Intern Excellence Award winner; Sereniah Breland recently left the city and took a City Manager job in the City of Goliad; and Nathan Thiel has accepted a job as City Manager in a town in Wisconsin. Part of the Access Management Project is gearing up at S.H. 6 in front of the Sugar Land Regional Airport and will be re-bid shortly for improvements to the traffic/safety conditions.

RECESS MEETING

Mayor Thompson recessed the Regular Meeting to go into Closed Executive Session, time 7:17 o'clock P.M.

CLOSED EXECUTIVE SESSION

Mayor Thompson introduced **Closed Executive Session as authorized by Chapter 551, Texas Government Code, in accordance with:**

Real Property: Section 551.072 (Discuss Real Property)

a) For the purpose of discussion with respect to acquiring by condemnation the fee simple title to 0.0044 acre, 0.0538 acre, 0.1228 acre, and 0.1151 acre tracts of land for the Dulles Avenue Upgrade Project. *Mr. Chris Steubing, City Engineer.*

ADJOURN CLOSED EXECUTIVE SESSION

Mayor Thompson adjourned the Closed Executive Session, time 7:23 o'clock P.M.

RECONVENE MEETING

Mayor Thompson reconvened the Regular Meeting, time 7:35 o'clock P.M.

ORDINANCES AND RESOLUTIONS (CONTINUED)

RESOLUTION NO. 10-49 – DULLES AVENUE UPGRADE PROJECT

Mayor Thompson introduced **CITY OF SUGAR LAND RESOLUTION NO. 10-49** A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS DECLARING THE NECESSITY FOR ACQUIRING BY CONDEMNATION THE FEE SIMPLE TITLE TO A 0.0044 ACRE TRACT OF LAND, A 0.0538 ACRE TRACT OF LAND, A 0.1228 ACRE TRACT OF LAND, AND A 0.1151 ACRE TRACT OF LAND, ALL SITUATED IN THE WILLIAM STAFFORD ONE AND HALF LEAGUE, ABSTRACT NO. 89, IN THE CITY OF SUGAR LAND, FORT BEND COUNTY, TEXAS, FOR THE DULLES AVENUE UPGRADE PROJECT.

ORDINANCES AND RESOLUTIONS (CONTINUED)

RESOLUTION NO. 10-49 – DULLES AVENUE UPGRADE PROJECT

Ms. Keisha Seals, Engineer III, stated staff requests that City Council approves Resolution No. 10-49 for the eminent domain proceedings for right-of-way acquisition at the northwest corner of Dulles Avenue and State Highway 6 for two tracts of land totaling .2379 acre in the amount of \$195,093 and the southwest corner of Dulles Avenue and Lexington for the two tracts of land totaling .0582 acre in the amount of \$41,571.

Following a full and complete discussion, *Council Member Olson*, seconded by *Council Member Abraham*, made a motion to approve **CITY OF SUGAR LAND RESOLUTION NO. 10-49** A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS DECLARING THE NECESSITY FOR ACQUIRING BY CONDEMNATION THE FEE SIMPLE TITLE TO A 0.0044 ACRE TRACT OF LAND, A 0.0538 ACRE TRACT OF LAND, A 0.1228 ACRE TRACT OF LAND, AND A 0.1151 ACRE TRACT OF LAND, ALL SITUATED IN THE WILLIAM STAFFORD ONE AND HALF LEAGUE, ABSTRACT NO. 89, IN THE CITY OF SUGAR LAND, FORT BEND COUNTY, TEXAS, FOR THE DULLES AVENUE UPGRADE PROJECT. The motion carried unanimously, with Council Member Chaumette and Council Member Smithers being out of the Chamber and not voting

RECESS MEETING

Mayor Thompson recessed the Regular Meeting to go into Closed Executive Session, time 7:40 o'clock P.M.

CLOSED EXECUTIVE SESSION (CONTINUED)

Mayor Thompson introduced Closed Executive Session as authorized by Chapter 551, Texas Government Code, in accordance with:

Personnel Matters: Section 551.074 (Discuss Personnel)

- b) For the purpose of discussion with respect to the Municipal Court Judge annual performance evaluation. *Mayor James A. Thompson.*
- c) For the purpose of discussion with respect to the City Manager annual performance evaluation. *Mayor James A. Thompson.*

ADJOURN CLOSED EXECUTIVE SESSION

Mayor Thompson adjourned the Closed Executive Session, time 7:41 o'clock P.M.

RECONVENE MEETING

CITY OF SUGAR LAND
CITY COUNCIL REGULAR MEETING
TUESDAY, OCTOBER 19, 2010/PAGE 17

Mayor Thompson reconvened the Regular Meeting, time 8:50 o'clock P.M.

ADJOURN

There, being no further business to come before Council, *Council Member Smithers*, seconded by *Council Member Olson*, moved that the meeting adjourn. The motion carried unanimously and the meeting adjourned, time at 8:51 o'clock P.M.

Glenda Gundermann, City Secretary

(SEAL)